Approved Formelease 2002/01/02 : CIA-RDP78B047

STATINTL

11 January 1967

**STATINTL** 

Southwest Station Washington, D.C. 20024

Dear Sir:

The Phase I work under Task Order #10 of Contract was completed on STATINTL January 5, 1967. As a result of that work our cognizant STATINTL engineer, was able to isolate the cuase of the defective operation and specify corrective action. In carrying out the work on Phase I was able to successfully demonstrate the correct operation of the unit available to him. This would have been the objective of Phase II in our STATINTL original task proposal.

As an alternative objective for Phase II, we propose that the remaining eight units be modified as determined in Phase I for correct operation. This would involve approximately 240 man-hours of the following labor categories:

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At the conclusion of Phase I, there remained approximately of the originally estimated to complete Phase I and II. It appears that we could modify the remaining eight machines to bring them into operational condition for the price on the original tasking. This would be contingent upon the factors that no further problems develop in the system and that STATINTL the problems of all eight units were the same.

As you will note, we can accomplish this modification under the original price if we introduce the reduced labor categories. With STATINTL guidance, there would be no problem in introducing the electronic specialist

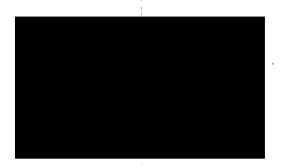
## **Declass Review by NIMA / DoD**

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and technician to complete the work on the eight machines. However, some arrangement would have to be made for the security problem. We would nominate as in our original STATINTL letter for the work. It is our understanding that if the current clearance action is not complete on the above nominees, arrangements could be made for them to work in an uncleared status.

We will be pleased to put this plan in action upon your concurrence. you have any question, please contact me or

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